

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

IN AND FOR THE STATE OF UTAH

DOGM
MINERALS PROGRAM
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IN THE MATTER OF THE BOARD)	ORDER
ORDER TO SHOW CAUSE ISSUED)	
TO AMERICAN CONSOLIDATED)	DOCKET NO. 90-046
MINING COMPANY, CLIFTON)	CAUSE NO. M/045/019
EXPLORATION PROJECT, TOOELE)	
COUNTY, UTAH - E/045/052)	
)	

By Board Order dated October 24, 1990, the Board of Oil, Gas and Mining ordered American Consolidated Mining Company (ACMC) to appear before the Board on December 6, 1990 to show cause why the Board should not order ACMC to cease exploration operations and immediately reclaim disturbances associated with its Clifton Exploration Project, because of its failure to provide surety for exploration operations affecting in excess of five (5) acres. The following Board Members, constituting a quorum, were present and participated in the hearing and in the decision embodied herein:

Gregory P. Williams Chairman
E. Steele McIntyre
Judy F. Lever
James W. Carter
John M. Garr

Members of the staff of the Division of Oil, Gas and Mining present at and participating in the hearing included:

Dr. Dianne R. Nielson, Director
Division of Oil, Gas and Mining

D. Wayne Hedberg, Permit Supervisor
Division of Oil, Gas and Mining

Thomas A. Mitchell, Assistant Attorney General of the State of Utah, also participated in the hearing on behalf of the Division of Oil, Gas and Mining.

The following appeared at the hearing:

William D. Moeller, Chief Executive Officer
AMERICAN CONSOLIDATED MINING COMPANY
70 West Canyon Crest Road, Suite D
Alpine, Utah 84004

Steven Brooks, Geologist
BUREAU OF LAND MANAGEMENT
Pony Express Resource Area
2370 South 2300 West
Salt Lake City, Utah 84119

Based upon the record and the testimony given during the December 6, 1990 hearing, the Board finds as follows:

FINDINGS

1. That ACMC has repeatedly failed to meet the time frames established by the Division and Board for ultimate resolution of the permitting requirements for the Clifton Exploration Project (E/045/052), Tooele County, Utah.
2. ACMC failed to comply in a timely manner with the statutory requirements of Utah Code Ann. § 40-8-13 and Utah Admin. R. 613-002-101, which require an operator to file a complete Notice of Intention to Commence Exploration before beginning exploration activities.
3. ACMC failed to comply in a timely manner with the statutory requirements of Utah Code Ann. § 40-8-14 and Utah Admin R. 613-002-111, which require an operator to file a reclamation surety with the Division prior to commencing exploration operations which will disturb greater than five (5) acres.
4. ACMC has established a similar pattern of noncompliance with regard to the permitting requirements for the Yellow Hammer Mine (M/045/019). The

same statutory provisions and corresponding large mining rules (R.R. 613-004-101 and 613-004-113) were violated by ACMC during the permitting of this minesite. However, no specific finding was formally made in this regard during the October 26, and November 30, 1989 Board Hearings, Docket No. 90-046, Cause No. M/045/019.

CONCLUSION

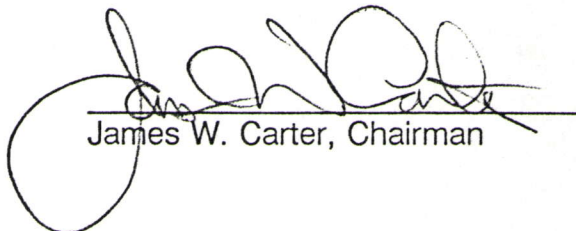
The Board concludes that ACMC has demonstrated a knowing and willfull pattern of violation of the Utah Mined Land Reclamation Act, Utah Code Ann. § 40-8-1, et seq. (1988, as amended) and the rules promulgated pursuant to statute.

ORDER

The Board finds American Consolidated Mining Company in violation of the Utah Mined Land Reclamation Act and rules as set forth above. The Board will not seek assessment of civil penalties at this time (pursuant to Utah Code Ann. § 40-8-9), but does reserve the right to do so (within its statutory authority) should a similar violation occur in the future.

Dated this 11th day of March, 1991

BOARD OF OIL, GAS AND MINING


James W. Carter, Chairman

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